

§ 367.1740

§ 367.1740 Account 174, Miscellaneous current and accrued assets.

This account must include the book cost of all other current and accrued assets, appropriately designated and supported so as to show the nature of each asset included in the account.

§ 367.1750 Account 175, Derivative instrument assets.

This account must include the amounts paid for derivative instruments, and the change in the fair value of all derivative instrument assets not designated as cash flow or fair value hedges. Account 421, Miscellaneous income or loss (§367.4210), must be credited or debited, as appropriate, with the corresponding amount of the change in the fair value of the derivative instrument.

§ 367.1760 Account 176, Derivative instrument assets—Hedges.

(a) This account must include the amounts paid for derivative instruments, and the change in the fair value of derivative instrument assets designated by the service company as cash flow or fair value hedges.

(b) When a service company designates a derivative instrument asset as a cash flow hedge it will record the change in the fair value of the derivative instrument in this account with a concurrent charge to account 219, Accumulated other comprehensive income (§367.2190), with the effective portion of the gain or loss. The ineffective portion of the cash flow hedge must be charged to the same income or expense account that will be used when the hedged item enters into the determination of net income.

(c) When a service company designates a derivative instrument as a fair value hedge it must record the change in the fair value of the derivative instrument in this account with a concurrent charge to a subaccount of the asset or liability that carries the item being hedged. The ineffective portion of the fair value hedge must be charged to the same income or expense account that will be used when the hedged item enters into the determination of net income.

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DEFERRED DEBITS

§ 367.1810 Account 181, Unamortized debt expense.

This account must include expenses related to the issuance or assumption of debt securities. Amounts recorded in this account must be amortized over the life of each respective issue under a plan that will distribute the amount equitably over the life of the security. The amortization must be on a monthly basis, and the related amounts must be charged to account 428, Amortization of debt discount and expense (§367.4280). Any unamortized amounts outstanding at the time that the related debt is prematurely reacquired must be accounted for as indicated in General Instructions in §367.16.

§ 367.1823 Account 182.3, Other regulatory assets.

(a) This account must include the amounts of regulatory-created assets, not includible in other accounts, resulting from the ratemaking actions of regulatory agencies. (See Definitions §367.1(a)(38).)

(b) The amounts included in this account are to be established by those charges which would have been included in net income, or accumulated other comprehensive income, determinations in the current period under the general requirements of the Uniform System of Accounts but for it being probable that such items will be included in a different period(s) for purposes of developing rates that the utility is authorized to charge for its utility services. When specific identification of the particular source of a regulatory asset cannot be made, such as in plant phase-ins, rate moderation plans, or rate levelization plans, account 407.4, Regulatory credits (§367.4074), must be credited. The amounts recorded in this account are generally to be charged, concurrently with the recovery of the amounts in rates, to the same account that would have been charged if included in income when incurred, except all regulatory assets established through the use of account 407.4 (§367.4074) must be charged to account 407.3, Regulatory debits (§367.4073), concurrent with the recovery in rates.